



Victoria's next *Creative State* strategy

DISCUSSION PAPER



Overview

The creative industries are a big part of life in Victoria. More than 97% of Victorians engage with creative activities whether that's listening to music, reading books or attending performances, exhibitions or festivals.

The creative industries contribute \$40.3 billion to the Victorian economy, the equivalent to 7.5% of the total state economy. Almost one in 12 Victorian workers are estimated to be employed in the creative sector which is 318,244 people, and translates to 8.6% of the total Victorian workforce.

Our creative industries benefit Victorians in many ways – from entertaining us and helping us learn and connect to driving tourism and stimulating business activity. Creativity also helps to improve liveability, wellbeing and social cohesion and to strengthen the state's global reputation.

Victoria has long been at the forefront of Australia's creative industries and has a well-earned reputation as the creative state. This hasn't happened by chance.

Through successive *Creative State* strategies, the Victorian Government has continued to invest in the state's creative industries for the benefit of Victorians, backing the sector through periods of growth and opportunity, and through challenges and change.

The Victorian Government, through Creative Victoria is now developing the next *Creative State* strategy which will guide investment in Victoria's creative industries for the next three years and set the stage for longer-term success. Creative Victoria is the Victorian Government body dedicated to championing, growing and supporting Victoria's creative industries.

To get this right, it is important that this work is informed by the diverse perspectives of the Victorian community – whether you work in a creative industry or aspire to, whether you regularly participate in creative activities and attend events, or if you currently experience barriers to getting involved.

This discussion paper sets out how this strategy will be shaped by important changes, challenges and opportunities on a statewide, national and international scale, as well as themes to prompt your ideas and responses to feed into the development of the new strategy. We invite you to contribute.

Background

What are the creative industries?

The creative industries are made up of visual arts, music, galleries and museums, digital games, film and television, performing arts, literature and publishing, fashion, architecture and design, comedy and craft. People working in these areas may be individual sole traders, or part of a collective, a business or organisation. Creative activities can be commercially driven, community based, experimental and/or for export overseas.

What is a creative industries strategy?

A government strategy sets out the objectives and goals to achieve desired outcomes. A strategy guides government's actions, investments, initiatives and partnerships. The Victorian Government's creative industries strategy is a clear statement to the creative industries and the broader community about the priorities and actions to support and strengthen Victoria's creative industries. The next creative industries strategy will focus on activities that will be delivered between 2025 and 2028 and the ways we will measure the impact of the strategy.

Why do we have a creative industries strategy?

In Victoria, we are required through legislation to have a creative industries strategy in place. Under the *Creative Victoria Act 2017*, the Minister for Creative Industries is responsible for delivering a strategy for the arts and creative industries. The purpose of the strategy is to:

- support and promote the practice of Aboriginal and Torres Strait Islander arts in Victoria;
- improve the knowledge, understanding, appreciation and practice of the arts in Victoria;
- encourage and assist the growth and impact of the arts and creative industries;
- promote and improve access to and participation in the arts and creative industries; and
- encourage and assist the provision of facilities for the development, performance and display of the arts and creative industries.

The strategy will guide the Victorian Government's investment in the creative industries over the next three years – from 2025 to 2028 – and put the state's creative industries on a path for longer term success.

Previous creative industries strategies

In 2016 Victoria became the first Australian state to release a dedicated creative industries strategy, *Creative State 2016–2020*.

The following creative industries strategy, *Creative State 2025*, set a path for the recovery and reactivation of Victoria's creative industries in the wake of the COVID-19 pandemic. *Creative State 2025* is underpinned by five implementation principles:

- **First Peoples First:** First Peoples knowledge, practice, protocols and cultural authority is at the heart of the creative industries
- **For every Victorian:** A commitment to ensuring every Victorian can take up their right to participate in the cultural and creative life of the state regardless of cultural background, age, gender identity, location, income or ability
- **Whole of state:** Ensuring that remote, regional and outer-metropolitan areas have improved and more equitable access to cultural experiences
- **Health and wellbeing:** Foster healthy, safe and respectful working environments in the creative industries
- **Environmental impact:** A commitment to reducing our environmental impact and addressing climate change

These principles represent a baseline of enduring values. While they may evolve and become more specific, we expect these principles will strongly influence the development of the next strategy.

Our next strategy will guide government investment in Victoria's creative industries over the period 2025 to 2028.

Our commitment to First Peoples First

As we develop the next *Creative State* strategy, we actively seek and encourage responses from First Peoples living in Victoria. We invite submissions that demonstrate authentic allyship with First Peoples, highlighting how the creative industries incorporate the First Peoples First principle in their work and support the self-determination of First Peoples in meaningful and respectful ways.

Creative Victoria is guided by the First Peoples Directions Circle – a group of esteemed First Peoples leaders and professionals working across the creative industries, education, community and philanthropic sectors.

Through the work of the [First Peoples Directions Circle](#), First Peoples self-determination and community voice will be embedded in the development and delivery of the next strategy.

The Directions Circle is leading a parallel process to identify the most effective support for First Peoples' arts, culture and creative businesses. Further details on the First Peoples-led consultation will be available soon, we encourage you to sign up to the Creative Victoria eNews or follow the 'First Peoples Creative Victoria' [Facebook page](#) to receive updates.

Important considerations as we develop the strategy

Victoria's current creative industries strategy was released in 2021 and has guided Victorian Government investment and decision-making in the creative industries since then. The strategy sets our commitment as a state that centres culture and creativity. These investments have provided significant levels of support for Victoria's First Peoples creative industries, stimulated economic activity and ensured the Victorian public have access to diverse creative offerings.

Significant changes will influence and shape the next creative industries strategy. These include the pathway to Treaty, the National Cultural Policy *Revive*, and a raft of economic, social, environmental, and technological factors currently facing the creative and broader industries.

Pathway to Treaty

The next *Creative State* strategy can support the principles of First Peoples' self-determination, amplify First Peoples stories and build pride in Victoria's pathway to Treaty.

Victoria's Treaty process is long term and embedded. The Victorian Government started on the Treaty path 8 years ago. Legislation has been passed, policy has been developed, and commitments have been made at every level of government. Treaty will bring Victorian communities together to build relationships built on respect and mutual understanding.

The Yoorrook Justice Commission's Truth-telling shows us how First Peoples were excluded from social and economic opportunities and how that gap continues today. The First Peoples Assembly is the independent, democratically elected body representing First Peoples on the journey to Treaty in Victoria.

Victoria's Treaty is about a better shared future for all Victorians. Victoria's creative communities and supporters will be significant contributors on the path to Treaty.

National Cultural Policy

In 2023 the Australian Government released Australia's national cultural policy, *Revive*.

Revive sets out a five-year plan to revive the arts in Australia. *Revive* strongly aligns with the current *Creative State 2025* strategy and the Victorian Government's ambition for the state's creative industries. At the heart of *Revive* is the goal to ensure there is a place for every story, and a story for every place.

Victoria's next *Creative State* strategy will be rolled out at the same time that the national cultural strategy is being delivered federally. This presents opportunities for alignment and complementary actions at a state and national level.

Economic, social, environmental and technological challenges

Victoria's creative industries are recovering unevenly from the impact of the pandemic and continue to face difficult economic conditions. Cost of living pressures and a shift in audience behaviour and buying patterns are creating challenges for the sector.

Victoria is not alone. The global economy is experiencing a period of high inflation and interest rates and subdued economic growth. To adjust to this new economic landscape, the creative industries face difficult challenges.

In addition, the creative industries face new social, technological and environmental challenges specific to our times. These include the rapid rise of technologies such as Generative AI, changing demographics, the intensifying impacts of climate changes and skills and workforce challenges.

Our next creative industries strategy must be sensitive to these challenges and consider actions that help sector sustainability, resilience and adaptation to the current and emerging business environment.

We are seeking your input

The development of our next *Creative State* strategy is an opportune time to step forward with confidence. We are seeking your input, ideas and solutions to ensure our creative industries are best positioned to meet the challenges and opportunities that the next three years, and beyond, will bring.

How you can help us shape Victoria's next creative industries strategy

Our consultation process is now underway with responses due by 11.59pm, 26 August 2024.

There are three ways to take part in the consultation process:

- You can respond to a survey that is now live on the Victorian Government's consultation platform [Engage Victoria](#)
- You can also develop a written submission to this discussion paper where you can respond to as many or as few of the Discussion Questions as you wish – all contributions are valuable.
- You can complete the survey and make a written submission.

How to respond to this discussion paper

To guide your submission please consider these broad questions:

- How can we continue to build on the successes of previous *Creative State* strategies, while also addressing new areas of need and opportunity?
- What can we do to keep growing Victoria's creative industries, while contributing to social and cultural impact?
- In a constrained environment, how should Government best focus its efforts?
- What partnerships or new ways of working can we pursue to achieve a greater impact?

We've also identified five broad themes that will provide direction to help us collate your submissions.

The themes are:

- Home Grown, World Class
- A Creative Society for all Victorians
- Innovative and Thriving Creative Organisations and Businesses
- Sustainable Creative Careers
- Creating in a Changing World

This discussion paper delves deeper into each theme, giving context, exploring current issues and opportunities and posing some questions for you to use as thought starters.

For each theme, please consider the issues raised and propose any solutions you believe would deliver the best results for our state. You can respond to one or a number of themes, to single questions, multiple questions or provide other relevant input. Some responses and suggested solutions may apply to multiple themes.

We use the term 'we' throughout this document. As the Victorian Government's creative industries funding and advisory body, Creative Victoria is leading this consultation but this will be a strategy for the whole of the Victorian Government. There may be actions that are delivered by, or in partnership with, other Victorian Government departments, agencies or sector partners.

Discussion Themes

Home Grown, World Class

Victoria has a well-earned reputation for being Australia's creative state and for achieving success across the creative industries. It is critical that we maintain our reputation as a place where ambitious, high-quality creative works and products are developed to ensure our creative industries thrive and grow into the future.

Home grown, world renowned creative achievements inspire local creatives to reach new heights, encourage Victorians to pursue creative careers, build our global reputation and competitive edge and also ensure that we continue to attract and retain talent and achieve high numbers of interstate and international cultural tourists and investment.

Victoria is home to a strong and renowned independent creative community as well as being home to a strong calendar of drawcard cultural events and festivals.

Victoria's state-owned cultural institutions are also respected both nationally and globally. They include: ACMI, Arts Centre Melbourne, Geelong Arts Centre, Melbourne Arts Precinct Corporation, Melbourne Recital Centre, Museums Victoria, National Gallery of Victoria, State Library Victoria and The Wheeler Centre. These facilities belong to all Victorians. They exist to improve our quality of life, bring us together as a community, and enhance our cultural standing and reputation – drawing cultural visitors to our state.

Examples of Home Grown, World Class activity

- Geelong based Back to Back Theatre won the Golden Lion for Lifetime Achievement in Theatre at the 2024 Venice Biennale – they are the first Australian company to win the award. Just two years ago, Back to Back also won the International Ibsen Award, described by many as the Nobel Prize for theatre.
- The National Gallery of Victoria is by far the most attended art gallery or museum in Australia, and the State Library of Victoria is Australia's busiest library and the third busiest in the world.
- Melbourne writer Jane Harper's novel *The Dry* won the 2015 Victorian Premier's Literary Award for an Unpublished Manuscript. In 2020, a film adaptation of *The Dry* by Victorian-based filmmaker Robert Connolly became a critical and box office sensation, grossing over \$20 million in Australian cinemas. In early 2024, Connolly's film adaptation of Harper's sequel to *The Dry*, *Force of Nature*, again topped the local box office.
- In 2020 the Victorian digital game, *Untitled Goose Game* won a BAFTA for best Family Game.
- In music, Victoria has a proud tradition of producing well-loved music acts like last year's ARIA Award winners Dan Sultan, G Flip, The Teskey Brothers, King Gizzard and the Lizard Wizard and Kylie.
- One of the biggest cultural projects in Australia's history, and Victoria's most significant cultural project is the Melbourne Arts Precinct Transformation. This \$1.7 billion project is now underway and is scheduled for completion in 2028-29. Once complete, it will transform Melbourne's creative precinct into one of the world's great cultural districts.

Discussion Questions: Home Grown, World Class

Home grown, world class achievements like these do not happen overnight and are rarely achieved without strategic support. We seek your ideas about how we can maintain and increase the success of our creative sector – from individual creative workers to collectives, businesses of all sizes, events and agencies.

- What types of support – financial and non-financial – does the creative industries most need to create original, high-quality work that takes risks and captures national and international audiences?
- Are there opportunities for resource-sharing, programs or partnerships between cultural institutions and specific parts of the creative industries that face critical challenges?

A Creative Society for all Victorians

The Victorian Government has a strong commitment to cultural equity and equal access and participation in the creative industries. This means, working to ensure all Victorians – regardless of cultural background, age, gender identity, income, ability or location – can participate in the cultural and creative life of the state and creative careers. This includes connecting Victorians – from inner city to growth areas and outer suburbs, to small and large regional towns – to the creative industries and the benefits they bring.

Victoria is culturally diverse, with 49 percent of Victorians born overseas or at least one parent who was born overseas. More than 1.7 million Victorians speak a language other than English. Nearly a quarter of Victorians live regionally and around 17% of Victorians live with a disability.

The 2019 National Arts Participation Survey found that most Australians agreed the arts enable us to understand perspectives that are different to our own and help us better understand other people and cultures.

Examples of work underway to support a Creative Society for all Victorians

- Several of Creative Victoria's grant programs now have dedicated funding streams for First Peoples and Deaf and Disabled artists and creative entities. These include *Creators Fund*, *Music Works Major Grant Program*, and *Creative Ventures Program*.
- Prioritisation and benchmarking are used in the *Creative Projects Fund* ensuring that at least 15 per cent of total grant funding is distributed to First Peoples, those based regionally, Deaf and Disabled creatives and people who identify as culturally and linguistically diverse.
- For children and young people, the Victorian Government has supported the continuation of a forty-year partnership between Creative Victoria and the Department of Education, to provide students and teachers with access to creative learning programs and opportunities through the Creative Learning Partnerships program.
- Through Creative Victoria, the Victorian Government also supports organisations, such as Polyglot Theatre and Western Edge Youth Arts, that work with children, young people and families. Ensuring access to arts through education and early participation helps to create our next generation of creatives and art lovers; and build a society that appreciates the intrinsic value of arts and culture.

- In the regions, Victorian Government investment has enhanced creative infrastructure by delivering several major projects. These include the \$140 million Geelong Arts Centre, a new exhibition space in Kyneton, upgrades to Benalla Art Gallery and further investment in the Castlemaine Goods Shed, Shepparton Art Museum, and Latrobe Creative Precinct.
- In 2023-24 approximately 45% of Victorian Government grant funding delivered by Creative Victoria was provided to outer suburban and regional areas. This includes investment through multi-year organisational funding as well as project and artist funding. Creative Victoria's Regional Partnerships also provide dedicated programming funding to 29 regional and 3 outer-suburban local government owned and operated arts organisations.

Discussion Questions: A Creative Society for all Victorians

As described above, through the current and previous *Creative State* strategies, the Victorian Government has made significant steps towards improving equity and access in Victoria's creative industries, however there's much more that could be done and we invite your ideas.

- Building on *Creative State 2025* efforts, where should we focus next to ensure we are not seen only as Australia's leading creative state but also as its most inclusive, liveable and welcoming?
- How can we improve access and participation for all Victorians, of every age, ability, identity, location and background?
- The creative industries have an important role in building community, social cohesion, and intercultural understanding. How can we best support these outcomes?
- How can we ensure that more children, young people and families have opportunities to participate in creative experiences?

Innovative and Thriving Creative Organisations and Businesses

Our \$40.3 billion creative industries sector plays a significant role in the economic life of the state, equivalent to 7.5% of the entire Victorian economy. The right conditions, infrastructure and incentives are needed to ensure Victoria is the best place for creative organisations and businesses to operate – and thrive.

A 2021 Creative Australia census found that creative employment was growing at a rate more than 50 per cent higher than the rest of the workforce, despite some sectors being hit very hard by COVID-19. This trend has been noted internationally. The creative industries have been identified and invested in as a driver of economic growth by governments across the world, from the UK to South Korea.

Despite this potential, Victoria's creative industries currently face difficult conditions, such as:

- Inflation is increasing operating costs and competitive pressures from interstate and international markets continue to intensify.
- Audiences and consumers face cost of living pressures. Creative Australia's 2023 *Audience Outlook Monitor Snapshot Report: How rising inflation is impacting audiences* found that financial reasons are the top barrier to attendance at creative events, affecting 4 in 10 audience members.
- Regulatory burdens on businesses can cause strain on time and resources.
- There are a range of barriers to reaching new consumers, audiences and markets in order to expand a business.
- Challenges in taking informed financial risks and business planning, especially for smaller businesses and start-ups looking to explore activities with uncertain outcomes.
- The need for accessible and affordable hard infrastructure – spaces and places – to develop, share and sell their work as well as the need for soft infrastructure such as digital platforms, educational and training pathways, data services and other services to help creative businesses plan, grow, and research.

Examples of support for Innovative and Thriving Creative Organisations and Businesses

- The 2023-24 Victorian Budget committed \$35 million to support live music. This included a \$10 million commitment to the *Live Music Festivals Fund* and *10,000 Gigs*. Together, these two programs will support grassroots live music venues and festivals over the next four years, with at least 25% of those funds flowing to regional Victoria.
- Creative Victoria is developing the Victorian First Peoples Art and Design Fair which is a *Creative State 2025* initiative. Launching in 2025, the fair will seek to promote and build the market for Victoria's First People creatives across Australia and overseas.
- Through Creative Victoria, the Victorian Government has invested in targeted place-based projects and design guidelines to strengthen Victoria's creative neighbourhoods. These activities have provided secure and accessible workspaces for Victorian creatives and fostered vibrant creative hubs. Creative spaces projects include the Bendigo Emporium Creative Hub and the repurposing of the Old Kyneton Primary School into a new exhibition and community events space.
- Many of Victoria's creative industries are represented by industry services organisations or peak bodies. This network of peak bodies, the majority of which receive Victorian Government support through Creative Victoria, plays an important role in developing and connecting creative industries to soft infrastructure. They provide leadership, develop their sectors, develop policies and connect with all parts of the creative ecosystem.

Discussion Questions: Innovative and Thriving Creative Organisations and Businesses

We seek your ideas on how we can help to build financial stability and growth for the creative industries and to set up creative businesses for success.

- How can Victoria's creative organisations and businesses be supported to reach new audiences, consumers and new markets, including working with other industries?
- What steps can we take to incentivise Victoria's creative industries and start-ups to generate innovative new intellectual property?
- What can be done to reduce cost and regulatory pressures on Victoria's creative organisations and businesses?
- What professional development initiatives could help to improve market development skills, linking creative businesses with other sectors that would benefit from creative expertise, or ways to raise awareness of Victoria's creative industries in new local and international markets?
- How can we ensure the creative industries have the required hard and soft infrastructure? What models or interventions should be explored?

Sustainable Creative Careers

The most important success factor in any industry is its people. Without a strong foundation of skilled artists and creative workers in sustained and fulfilling careers, our creative industries cannot thrive.

At the federal level, the importance of creative workers is expressed by *Revive*, Australia's 2023 National Cultural Policy. *Revive* lists 'Centrality of the Artist' as one of its five key policy pillars. This priority is supported by Creative Workplaces, a new function within Creative Australia, which promotes fair, safe, and respectful workplaces for Australian artists, arts workers and arts organisations. National research reports, such as Support Act's 2022 *Raising Their Voices* and Creative Australia's 2024 *Artists as Workers: An Economic Study of Professional Artists in Australia* highlight the issues of unsafe workplaces and poor remuneration in the arts.

Work undertaken by Creative Victoria in 2023 also identified key workforce challenges in Victoria's creative industries. Key findings included:

- First Peoples organisations, businesses and peak bodies must be supported to implement self-determined workforce development initiatives.
- Some creative careers are not well understood and entry pathways, such as relevant services, supports and training, could be more accessible and inclusive.
- On the job training is essential in many creative sectors, but sometimes lacks structure and formal recognition, which can limit career progression.
- Small businesses face challenges in attracting and retaining staff, and may require enhanced employment models and conditions such as improved flexibility and workplace safety.
- Some industry conditions may make mobility, job security and career pathways challenging. Creative workers should be able to work confidently across different employers within their sub-sector.
- Creative workplaces are sometimes prone to less safe and less inclusive conditions. This can impact worker wellbeing and retention.

Examples of support for Sustainable Creative Careers

- Through Creative Victoria, the Victorian Government has supported the *Tech Connect* program, a regional skills training initiative run by the Arts Centre Melbourne, and the *Weasel Eicke Scholarship*, which was managed by CrewCare. Both programs address the acute need for more technical production staff in the live performance industries.
- In November 2023 the Victorian Government committed \$2 million to Support Act, ensuring musicians and music workers have access to mental health and wellbeing programs.

Discussion Questions: Sustainable Creative Careers

We seek your views on actions to ensure Victoria is producing, attracting and retaining the creative workers that our creative industries need to thrive.

- How can we increase employment and training pathways and career development opportunities for currently under-represented groups and young people?
- What skills gaps do you believe exist in Victoria's creative industries? How should these skills gaps be addressed?
- How can we ensure artists and creatives have sustainable careers and safe working conditions?

Creating in a Changing World

The world is changing rapidly with key areas impacting the creative industries, and society at large. These include increased digitisation and generative artificial intelligence (Gen AI), population and behaviour change, and the impacts of climate change.

It is essential we consider how Gen AI and other new technologies will impact Victoria's creative industries, and the immediate steps needed to embrace new opportunities and meet new challenges. Victoria's population is changing – our communities are culturally diverse, and we have changing demographics and increasing population in parts of our state and the impacts of climate change are also intensifying.

An effective creative industries strategy must respond to the challenges and opportunities of its time while also positioning the sector to meet the challenges and opportunities of the future.

Below are some of the areas that we believe will experience significant change in the years ahead.

Increased digitisation and Gen AI

- New technologies, such as generative artificial intelligence (Gen AI) have emerged and progressed in digital content-based industries such as music, film, digital games and literature.
- At the federal level, the opportunities and challenges of this technology are being considered by the Department of Industry, Science and Resources, which is developing an approach to safe and responsible use of AI. An Australian Senate Select Committee on Adopting Artificial Intelligence will deliver its report in September 2024, and the Commonwealth Attorney General has established a Copyright and Artificial Intelligence Reference Group to better prepare for future copyright challenges emerging from AI. The United Nations Conference on Trade and Development describes new technology including Gen AI as a fourth industrial revolution, or 'industry 4.0', with profound implications for the creative industries, both positive and potentially negative.

Population and behaviour change

- Our social and consumer behaviours are changing. Distinctions between previous generations and the newer generations, particularly Generation Z (term for people born 1997-2012), are evident. One example is Creative Australia's recent *Soundcheck* report which showed that younger audiences are engaging less with music festivals than previous generations.
- The Ending Loneliness Together *State of the Nation Social Connection Report 2023* identified 18–24 year-olds as experiencing higher levels of loneliness than other cohorts. Younger audiences are heavily engaged on digital platforms, which influences social behaviour and impacts connection with the arts – particularly live forms, such as contemporary music.

Climate change

- Climate change has implications for the operation of creative organisations and Victorian Government support for the sector will need to consider Victoria's Net Zero 2050 target for example through supporting better practices and circular economy strategies. Climate change and natural events like extreme heat, bushfires and flood events are also having an impact on major outdoor events and touring.

Example of support for Creating in a Changing World

- The Victorian Government's \$550 million Connecting Victoria program is working hard to improve digital connectivity across the state, and the creative industries can play an important role in driving digital engagement and improving digital inclusion.

Discussion Questions: Creating in a Changing World

With shifts across technology, population and behaviour, and the climate we'd like your thoughts on how we can best support the creative industries to navigate and succeed through this period of change.

- How can the creative industries respond to and take advantage of technological change, including the impacts of AI, in particular Gen AI?
- How should the creative industries adjust to changing audience and consumer behaviours?
- How can Victoria's creative industries adapt to the ongoing impacts of climate change, and contribute meaningfully to achieving Victoria's Net Zero 2050 target?

Thank you for taking part in this consultation process. Your ideas and input will help shape Victoria's next creative industries strategy.

